

July 6, 2022

Client Update: Taxation of Trusts and Real Estate in Israel – Has the Dispute Come to an End?

Client Updates

Last week the Supreme Court's ruling in the **Galis Case** was published. The court handed down a decision regarding one of the most significant open questions with respect the taxation of trusts.

Under the court's ruling, the contribution of Israeli real estate to a trust will only be subject to the provisions of the Real Estate Taxation Law – i.e. betterment tax for the settlor and purchase tax for the trustee – and not taxed under the Israeli Income Tax Ordinance.

Partners **Daniel Paserman** (CPA) TEP, Head of Tax, **Inbar Barak-Bilu** (CPA) TEP and **Yoad Cohavy**, in a client update review the Galis Case.

Key Contacts



Daniel Paserman
Head of Tax



Yoad Cohavy
Partner